

The Effect of Government Intervention on the Operational Decisions of NGOs: Evidence from a Survey Experiment in Three Electoral Autocracies*

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October 2, 2023

Non-governmental organizations (NGOs) play dual roles. Many provide services that improve citizen well-being and benefit incumbents. However, NGOs are also credited with anti-incumbent mobilization. In response, governments deploy a mix of accommodating and coercive tools to influence their behavior. Importantly, these tools are often wielded by local government authorities (LGAs), including politicians, law enforcement officers, and bureaucrats. How do accommodative and coercive actions by local government authorities (LGAs) affect the strategic decisions of NGO leaders? Can NGOs resist government influence by leveraging or creating connections with other civic actors?

Surveying directors and managers from 425 NGOs in Cambodia, Uganda, and Serbia, we use a conjoint experiment to examine how government interventions affect NGOs' operational decisions. Specifically, we present respondents with profiles describing hypothetical communities where their NGO could work. We randomly vary salient characteristics of each community, including the extent to which local government authorities repress or facilitate NGO operations, use cooptation to influence NGO activities, and disseminate pro- and anti-NGO rhetoric. We then present respondents with a series of questions asking which community their organization would prefer to work in and in which community they would be more likely to involve the public in project planning or activities, partner with a range of civic actors, or mobilize public action. In doing so, we seek to understand how government behavior impacts NGO choices about where, how, and with whom they work.

Our analysis produces four key findings:

- LGA interventions have a very large impact on NGOs' strategic decisions, with leaders giving them similar weight to important considerations such as the level of community need and the amount of funding available to fund activities.
- NGOs prefer to avoid communities where LGAs frequently repress NGO operations, coopt NGOs, or publicly use anti-NGO rhetoric. This suggests that LGAs can influence where NGOs prefer to work and may affect whether NGOs work in communities where they are most needed.

*This study was funded by the United States Agency for International Development (USAID) under the Illuminating New Solutions and Programmatic Innovations for Resilient Spaces (INSPIRES) project. We thank Samuel Olweny and Matrice360 Uganda, Agnes Amooti at Agency for Cooperation in Research and Development-Uganda, and Partners Serbia for invaluable support. All hypotheses and analysis procedures were pre-registered (EGAP Registry ID: [20220421AA](https://doi.org/10.21203/3.20220421AA)).

- When working in communities where LGAs frequently coopt NGOs, NGOs are less likely to involve the public in project planning/implementation or pursue partnerships with other NGOs. While donors have invested heavily in promoting community involvement to build NGO legitimacy and strengthening NGO networks foster resilience to narrowing civic space, our results suggest NGOs may not see these as effective.
- When working in communities where LGAs frequently disrupt NGO events, NGO leaders are more likely to organize public action, like circulating petitions or holding demonstrations. Thus, NGOs appear to see public mobilization as an effective strategy to resist some forms of repression. For donors, supporting community mobilization efforts or capacity could be an effective way to make NGOs resilient.

Importantly, our analysis suggests that these preferences hold across NGOs in three very different countries, NGOs with more and less confrontational relationships with governments, and NGOs operating in different sectors.

NGOs and Closing Civic Space

In this study, we focus on three categories of tools that LGAs use to regulate where, how, and with whom NGOs work. First, LGAs may intervene directly in the operations of NGOs in coercive ways, by physically disrupting NGO meetings or arresting NGO staff, and in accommodative ways, by helping NGOs navigate administrative requirements or providing financial or in-kind support. Second, LGAs may try to encourage or undermine public support through rhetoric positive or negative rhetoric. This can happen either through direct public statements from LGAs or through rumors on social media. Third, LGAs often try to coopt NGOs by giving favorable treatment in exchange for greater influence over NGOs' decision-making (Hemment 2012; Heurlin 2010).

In addition to changing where they work, LGA interventions may affect the activities NGOs engage in and the actors they engage with. In communities with more coercion, we expect NGOs may try to deploy strategies that make them less likely to be targeted for coercion. We identify three such strategies. First, international donors often argue that 'localization' – involving community members in activities and planning – strengthens the legitimacy of NGOs in the communities where they work, raising the political cost of attacks (Brechenmacher and Carothers 2018). Second, NGOs extend their capacity through formal partnerships. The ability to form partnerships relies on being part of a broader network, and donors regularly invest in strengthening NGO networks to build organizations' ability to resist government coercion (Springman et al. 2022).

Third, NGOs organize public action by circulating petitions, holding demonstrations, or encouraging citizens to contact officials. This may allow NGOs to demonstrate community support or forcibly resist government coercion. Finally, many NGOs also partner with local governments.

If NGOs see these strategies as effective means to resist coercion, we expect NGOs to be more likely to deploy them in communities with higher levels of coercion. At the same time, more coercive LGAs may target NGOs that engage in these forms of collective action. If external engagement is more likely to attract than to defray government coercion, we expect NGOs to decrease their use of these strategies when coercion is more common.

Research Design

We present respondents with profiles describing hypothetical communities where their NGO could work. We randomly vary seven attributes of each community. Each of these attributes and their values are presented in Table 1. This includes the extent to which LGAs engage in operational intervention, including directly providing support for or engaging in repression of NGO operations, rhetorical interventions, including praising or criticizing NGOs either in public statements or indirectly through rumors on social media, and cooptation, including equal or preferential treatment for NGOs that cooperate with LGAs. To compare the importance of these factors relative to other important considerations, we also manipulate the community’s level of development, geographic accessibility, and the amount of funding for project activities. Respondents are presented with the following text, followed by a description of Community A and Community B:

Imagine that your organization is planning to implement some activities associated with one of its existing programs. Before getting started, your organization must choose between two communities where these activities could take place. These communities are similar in many ways, but they have several important differences.

We then present respondents with questions asking which community their organization would prefer to work in and in which community their organization would be more likely to involve the public, organize public actions, or engage in various partnerships:

- Knowing these facts, which locality would your organization be more likely to choose [to work in]?
- If you were working in both communities, in which community would you be more likely to choose the following engagement strategies:
 - Involve members of the public in the design or implementation of project activities
 - Organize public action. Public action could include petitions, demonstrations, or contacting government officials
 - Partner with other NGOs in the design or implementation of project activities
 - Partner with local citizen associations or community-based organizations in the design or implementation of project activities
 - Partner with religious or traditional leaders in the design or implementation of project activities
 - Partner with local government officials in the design or implementation of project activities

After each question, respondents are instructed to select “Community A” or “Community B”. To ensure that we only identify the strongest, most reliable findings, we use the adaptive shrinkage (Ash) method to account for multiple hypothesis testing Liu and Shiraito (2023). To minimize social-desirability bias, respondents were informed that the survey was anonymous and the survey was fully self-administered (Nanes and Haim 2021).

Attribute	Values of Attribute
Community Development	<ul style="list-style-type: none"> • [the community] is more economically developed than most of its neighbors • ... has a similar level of economic development to most of its neighbors • ... is less economically developed than most of its neighbors
Community Accessibility	<ul style="list-style-type: none"> • [geographically, the community is] very difficult for your NGO to access • ... somewhat difficult for your NGO to access • ... easy for your NGO to access
Operational Intervention	<ul style="list-style-type: none"> • [LGAs] frequently offer financial or in-kind support to NGOs • ... frequently help NGOs obtain approvals and documentation to make NGO work easier • ... frequently disrupt or shut-down NGO meetings, trainings, and other events • ... have detained NGO staff in recent years for alleged legal violations
Cooptation	<ul style="list-style-type: none"> • [LGAs] generally treat all NGOs the same • ... give preferential treatment to NGOs that give them an unofficial say in their activities
Government Rhetoric	<ul style="list-style-type: none"> • [earlier this year, local authorities made public statements] labeling NGOs as valuable local partners • ... accusing NGOs operating in the community of being foreign agents • ... accusing NGOs operating in the community of being corrupt
Public Rumors	<ul style="list-style-type: none"> • [in recent months, rumors circulated on social media] accusing NGOs operating in the locality of being foreign agents • ... accusing NGOs operating in the locality of being corrupt
Project Value	<ul style="list-style-type: none"> • [your organization will have] \$60,000 to fund the activities • ... \$40,000 to fund the activities • ... \$20,000 to fund the activities

Table 1: Conjoint attributes and their possible values. Text in brackets is repeated for each subsequent attribute value.

Data and Findings

Among our sample, the median NGO was founded in 2007, had five full-time employees, a designated financial manager and governing body, two offices, a total revenue of \$103,388 USD in 2021, and worked in three provinces in Cambodia (out of 25), four districts in Uganda (out of 136), and 1.5 districts in Serbia (out of 29). In both Cambodia and Uganda, the majority of NGOs report service delivery as their primary sector, while most Serbian NGOs reported a focus on advocacy. We also asked respondents about tensions with government they experience. In Cambodia, Serbia, and Uganda, respectively, 22%, 71%, and 54% of NGOs report doing work that is considered politically sensitive by government. 19%, 52%, and 44% report experiencing tensions because of the type of work they do, and 19%, 31%, and 38% report experiencing tensions with government because of the specific communities that they serve.

We also asked NGO leaders about how often they involve the public, organize public actions, or partner with other NGOs, CBOs, religious or traditional leaders, or LGAs. Each of these engagement strategy is common across countries, with the exception of infrequent use of public mobilization in Cambodia (likely due to the very small number of advocacy NGOs in our sample) and partnering with religious and traditional leaders in Serbia.

Figure 1 reports the impact of each attribute on the probability of the community being selected by respondents for each of our seven outcomes. We omit coefficients for attribute values for which no coefficients were significant after Ash corrections. We also drop the Com-

munity Accessibility and Public Rumors attributes because no attribute value coefficients across any outcome were significant after Ash corrections. Despite attention to social media rumors, these rumors do not affect respondents' choices within the experiment.

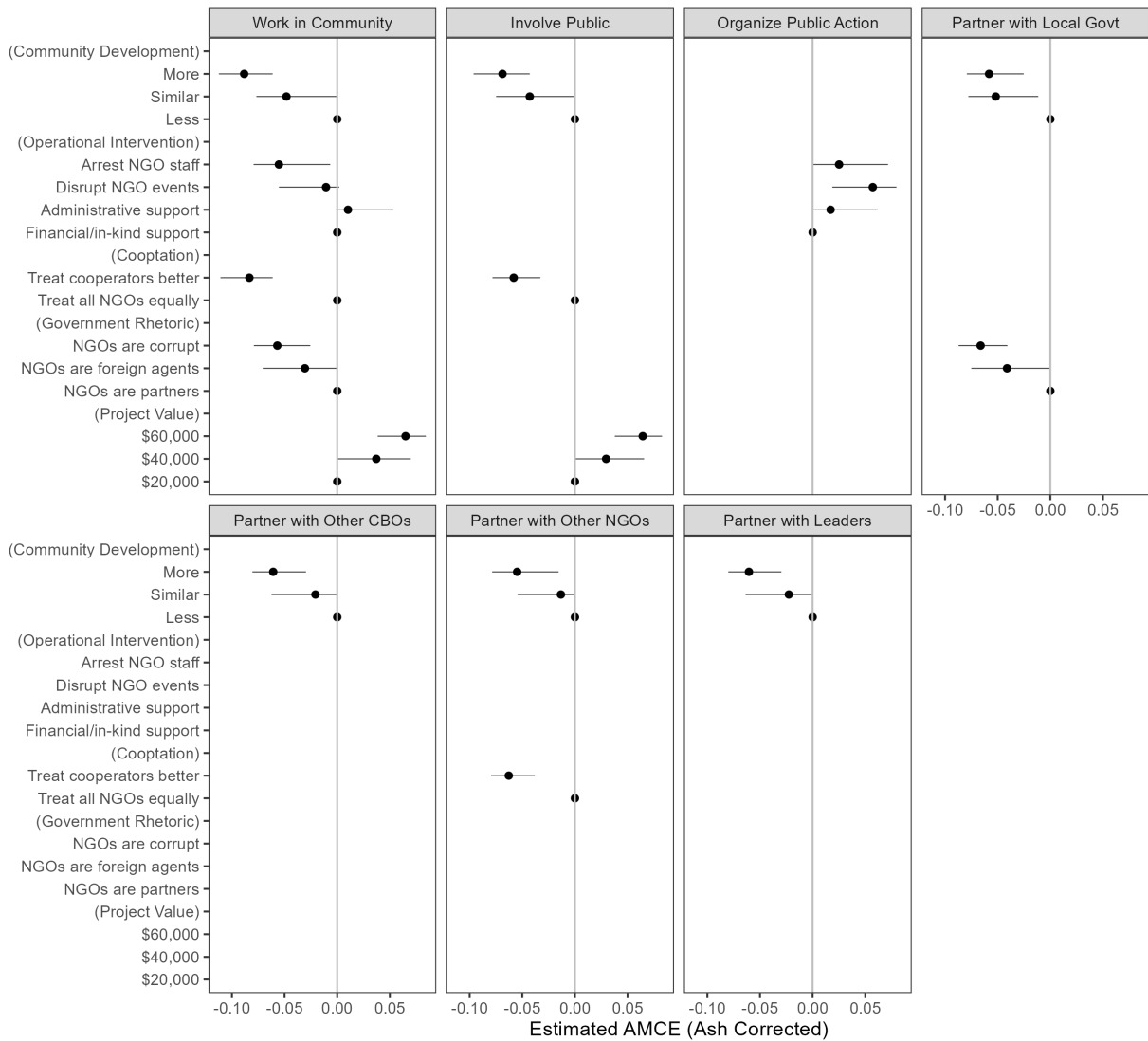


Figure 1: Average marginal component effect (AMCE) estimates with adaptive shrinking corrections. Points to the left of the grey line indicate a negative causal effect of the attribute on community selection relative to the baseline category (on average).

Beginning with the first facet capturing preferences over which community to work in, we find that NGO leaders prefer to work in less developed rather than more developed communities. The effect of community development is larger than any other attribute, suggesting need is the most important factor determining where NGOs prefer to work. Unsurprisingly, they also prefer working in communities where their projects will have more rather than less funding.

Government interventions also affect NGO behavior. LGAs frequently arresting NGO staff reduces the probability of community selection by 7% relative to LGAs providing ad-

ministrative support. This is only slightly smaller than the negative impact of moving from a community that is less developed than its neighbors to one that is more developed than its neighbors (9%) and similar to the negative impact of moving to a \$20,000 project value from \$60,000 (7%). This implies that NGO managers are willing to forego approximately \$40,000 in project funding, or 39% of their total annual revenue, to avoid working in communities with the most severe form of operational repression. Cooptation also has a large, negative impact on community selection. Communities where LGAs give preferential treatment in exchange for influence over their activities were selected 8% less than communities where LGAs treat all NGOs equally. Similarly, negative rhetoric also decreases the probability of community selection by 3-6% compared to LGAs describing NGOs as valuable partners.

LGAs engaging in cooptation also reduces NGO leaders' willingness to involve the public in projects or partner with other NGOs by 6%. Taken together, these results suggest that the practice of cooptation likely undermines trust among NGOs and between NGOs and the public. Alternatively, negative rhetoric decreases the reported preference for partnering with LGAs but not any other actor or activity. This suggests that negative government rhetoric does not appear to undermine their ability to form ties with the public or local institutions. Finally, organizations respond to some operational repression by seeking to organize public action. When working in a community where LGAs frequently disrupt NGO events, NGO leaders' preference to organize public action increases by 6% relative to a community with an accommodative LGA. This suggests that mobilizing the community can be, at least in part, a response to coercion rather than a cause of it.

Conclusion

Our evidence suggests that NGOs do not see including the public in project planning/implementation or partnering with other NGOs as effective means to resist coercion. In fact, NGOs prefer to avoid these strategies when working under more coercive LGAs. We argue that donors may want to consider these limitations when making investments in localization or network strengthening activities. However, NGOs appear to see public mobilization as an effective strategy to resist some forms of repression. For donors, supporting community mobilization efforts or capacity could be an effective way to make NGOs resilient.

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